

THE ELECTIONS.

PRACTICAL THOUGHTS

FOR THE PEOPLE.

BY

A Member of the College of Justice.

NO. I.—ASSESSED TAXES.

MANUFACTURERS	{	Read, Think, and Look to Yourselfes.
SHOPKEEPERS		
HOUSEHOLDERS		

GLASGOW: THOMAS MURRAY & SON,

Price One Penny.

THOUGHTS FOR THE PEOPLE.



IN the din of party warfare—which echoes through the land—it is difficult for people to concentrate their thoughts on the real interests which they personally have at stake, and on how these are to be affected by the various nostrums of rival platforms.

The contagion of enthusiastic meetings, and the rapturous eloquence of professional agitators and interested place hunters, drown the sober judgments of the very people whose momentous interests are at stake; while the ties of party, the fetters of trade societies, and the magic of a name, stifle the manly independence of the British elector.

It is not our purpose by these papers to set class against class or party against party, but rather to bind all together as one body, having a common interest, and to show how every citizen of this great empire, from the highest to the lowest, is so interwoven with every other that no misfortune and no prosperity can affect one class without every class sharing the consequences. It is our wish to rouse every one to exercise the manly independence which the Ballot gives, uninfluenced by caucus, union, party, or name.

Our skilled artisans know well the working of their wonderful machinery. One screw loose, one small wheel out of gear, is sufficient to set the whole machine wrong; perhaps to send it to pieces. They know how every part must do its part and no more. Too much pressure on one part deranges the whole: all well balanced, and all goes well. We all know our own bodies—a corn is a very trifling thing, a tooth in health and proper action does its work without your being conscious it is there—but let those little troubles come, the whole frame suffers, irritation ensues, and even others besides the person suffer. Every industry is a machine, a body; every individual of industry must do and bear his part; the empire is a machine, and if a nation is to prosper, indeed, to survive, every class must have its place, bear its burdens, and have its rights; and

every individual of every class in like manner. It will not be denied that this nation at this moment is not prospering; and it appears to us, and we will endeavour to show that one most pressing cause of our present sufferings is

TAXATION.

In dealing with this subject let us feel at home at the fireside of every reader, and let us take counsel with fathers and mothers, sisters and brothers, on plain facts, and out of these arising, practical questions bearing on the every-day life of every citizen, and in which every household has a material concern.

We propose to begin with Assessed Taxes, and addressing ourselves first to the citizens of Glasgow, to found upon facts culled from Mr. Nicol's recently published volume of "Statistics—vital, social, and economic—of the city of Glasgow, 1881-85."

From this authority it appears that, compared with some other cities, the Taxation of Glasgow, large as it is, is comparatively light, and that the outcome of Assessments imposed on the city in the year 1884-85 was £494,398 3s. 6d.

Domestic water (8d. per £) is not viewed as a tax, and, like gas, is not included.

It is ominous for the Tax-payers that, in this book, pregnant with facts, statistics, and contrasts, this heavy burden stands out alone with no contrast of past assessment, without record of any kind of the strides by which, year by year, local taxation has reached this enormous figure; and, therefore, in considering the burden, we must not face it merely as it is, but rather as it is to be.

We will not now linger over the unusual complication and the consequently wasteful expense of the Glasgow system, with its three Authorities—the City, the Barony, and Govan, each with their numerous rating boards, staffs, and offices, subdividing all their several sums as landlord and tenant, and again, as of one or other of the three following classes, viz.:—as £10 and upwards, £4 1s and under £10, or £4 and under of rental. These are crying evils, considerable modification of which will result from adoption of the scheme which we advocate.

Meanwhile we ask—where does this load of £500,000 per annum fall? It falls on the lands and heritages within the boundaries—a burden of 3/11 per £1, for poor, education, police, &c.

Lands within the bounds are well-nigh extinct, and therefore we fall to deal with heritages. These are of various characters, viz.:—

HOUSES.

A cruel and unjust burden upon dwellings these taxes are. *A man's house is a necessity of life*, not measured by his income, but by the size of his family. To escape one fourth addition to his rent, (for when house duty, 9d., and water tax, 8d, are added, it comes to more), he is, when in straits, to keep his head above water, sorely tempted to content himself with less accommodation than is good for the health of his family bodily and morally.

Taxes upon the necessities of the people have been condemned by free trade policy, and thus this tax is condemned. This tax is further antagonistic to public health and public morals.

SHOPS.

Shops are subject to the same assessed taxes.

Established to circulate the necessities of the people which are brought into the country free of tax, why should the dispenser be thus taxed one fifth of addition to his rent?

These are indeed taxes on trade and industry, and as such are not legitimate.

On the shopkeeper these taxes press with peculiar hardship and injustice. For instance, the shopkeeper must keep a large stock, have extensive and attractive premises, and, in consequence, must pay a very high rent; and further, the more he improves these premises, the more he is punished by heavier taxation.

Or take another point of view: the shopkeeper must be on the street floor, which is not needful for all businesses, and he has to pay accordingly a rent of say £250, and taxes £50. The premises above, in two suits of offices, may yield—rent, £75 each, £150; and taxes, £30.

The shopkeeper thinks himself well off if he makes double his rent, while he has the risk of losing all—say his profits for rent and taxes of £300 are £500.

The two office-holders think, for their rent and taxes (£180 in all) that their profits are small at £900.

In other words, the shopkeeper pays two-thirds more assessed taxes, and makes little more than half the income of the occupants of the offices, or 2s. per £ on his profits of £500; while the office-holders pay two-thirds less assessed taxes than the shopkeeper, for nearly double the income of the shopkeeper, or 8d. per £ on their profits of £900.

Imposed thus as a tax upon industry, and as a tax indirectly on

the necessities of the people, this tax is unjustifiable, and the injustice of its imposition upon necessary and proper outlay is so glaring as to require no argument.

It is well known that much lucrative business is transacted in a single-room-office, at a much less rent than has been mentioned, whereby incomes of thousands per annum are realised and the holders, having no residence in town, almost absolutely escape any share of city assessments.

MANUFACTORIES.

Nor do these taxes press with less severity and injustice on the manufacturing class.

Are we to introduce, free of tax, the manufactures of the Foreigner? and are we in every possible form to lay taxes on our own manufactures? Surely there is no sound principle in such policy.

A great manufacturer provides workshops for doing a great business in each of his workshops (perhaps he may have three for carrying out different branches of the same business), he may sometimes have in each, 200 hands—say, in all, 500 hands—who, with their dependents, may be 2000 bodies to feed; but at times, such as the present, there may not be 20 in each, his plant cannot be put in the waistcoat pocket, and carried from one workshop to another, so as to close one or more. How then are these great public benefactors treated? While scarce doing a hand's turn—*though working at a dead loss* to keep business together—their hands about them ready for what may turn up—machinery in order—and possibly for the sake of some of the poor little ones of the sons of toil,—*they are charged the full taxes as if all were in full swing.*

RAILWAYS, TRAMWAYS, WATER WORKS, GAS WORKS.

We could say much of the still more extortionate injustice of assessed taxation on these undertakings which minister to the necessities of the people, and ought to be as free from burden and as cheap to the people as possible, but we refrain: they are great Corporations which should be well able to look after themselves. But we will say to the shareholders of these great concerns, that none will profit so much by the change we advocate as they will. They are charged as railways, &c., assessed taxes on

net earnings, subject to certain deductions, as much, we understand, as 2s. in the £ the country over—and if every ratepayer were charged on the same principle, the rate would not amount to 6d. in the pound; or, in other words, taking 2s. an ordinary case, one per cent. extra dividend would go into the pockets of the shareholders, which now goes to pay poor, police, education, &c.

We hope that we have satisfied you that, as at present imposed, this burden of £500,000 is unjustly assessed; and we shall assume that the power to levy taxes on these foundations is abolished.

Where then, you ask, is the annual burden of £500,000 to come from?

There are advanced politicians who say the cure of all depression of trade and suffering of the people is to be found in laying all taxes on land. We could wish that their expectations were well founded, and that it was just, and for the good of the nation, and of every citizen composing it, thus to restore prosperity and comfort to every one of us. Unfortunately, however, land is capital, like bank, insurance, or other company shares, home and foreign government stocks, bonds over property, &c. One man having made money, invests it in land or houses, and gets a very poor return for his investment, an investment requiring continually increasing investment of capital for improvement and maintenance. This we will call capital No. 1.

Another man invests in home, foreign, or colonial securities, bank, or other shares, municipal or heritable bonds, &c. (which we will call capital No. 2), and on all which they secure larger and more certain returns; on most of which they know that they have no further capital to expend; and on the rest of which they know to what extent they can be called on to contribute further capital.

At present all assessments are burdens on Capital No. 1. Not one penny for maintainance of poor, education, &c., no assessed taxes, have ever been a burden on No. 2.

The cry is put more burdens, put all burdens on land!! but what is land?

It is the capital of the country in which every soul in the kingdom has an interest, as we will endeavour to shew you, while in No. 2, the government securities, bank and other shares, no one has the smallest interest except the capitalist whose money is invested.

Land is the source of all our home food supplies, put a tax upon land, you are putting a tax on home food supplies, while food imported is admitted free of tax.

Land produces all our raw material, clothes for our backs, stone and wood for our houses and furniture, coal for our houses and manufactures, minerals, chemicals, dyes, every thing raw for our manufacture—a tax upon land is a tax upon these.

You by free trade admit all these things free from abroad, but on our home supplies the same free traders say put all taxes.

So heavily do these unjust burdens press on this one form of capital, that, aggravated by the cheapness of foreign agricultural produce, the capital invested on land becomes more and more unproductive, and the capitalist cannot afford, for no return, to put the further capital in it necessary for cultivation. The consequences are that the land of this island is fast going out of cultivation, the labourers necessary for its cultivation are thrown out of employment, are in the greatest straits and are being forced by circumstances which none can control, into the towns to compete there with their more skilled brethren in the scramble for any work that is to be had.

This unfortunate process going on in the same direction, the kingdom will go altogether out of cultivation, and then we shall be entirely at the mercy of the foreigner, who, relieved of competition, may raise their prices by combination as they please; and in case of a great war may land us some day in absolute starvation—cruisers, torpedoes, and other engines of war yet unknown sinking every cargo that attempts to reach our shores. If this Kingdom is to be in some measure independent, it must, *as far as possible*, have sustenance within itself. Such sustenance it cannot produce if land remains burdened as it is, or more than it now is.

Do you say what, after all, is a burden of 2s. to 10s. in the £ for assessed taxes? Every 1s. is five per cent.

But this is far from the greatest loss, for consider this:—Every quarter of grain which cannot be produced with profit in this country—and therefore is not—is loss to the landlord, to the tenant, and the agricultural labourer, to the traders of every grade with whom these deal, to the manufacturers of every class who supply these traders, and to the countless employees of these manufacturers and traders—all are semi-dependent. A house that Jack built.

Away, then, with all candidates who would secure your votes by saying they will make you happy and prosperous by relieving you of all taxation by placing all taxes upon land or land and heritages.

The present deluge of daily literature to be read, forbids us now to trespass on your patience further than to say that the assessed

taxes in Glasgow, 1884-85, are assessed on a rental nominally of £3,406,370, giving effect to exemptions in favour of charities, police, and other buildings, *truly of about* - - - £2,500,000
 which is virtually the income of capital No. 1.—
 (Page 50.)

The income of Glasgow in sums of £150 and upwards from all sources: land and heritages, capital No. 1; other investments, capital No. 2; and profits from business, salaries, &c., capital No. 3; was 1884-85, **11,557,920**

Assume for the moment that assessed taxes are abolished on rents and tenancies, it would be fair then, all bearing their share of taxation, to reduce assessable income for municipal purposes to say £40. It is estimated that incomes between £40 and £150 will realize, from their great number, a total sum larger than that for the few above £150, —but say 10,942,080
 Here is a base for taxation of - - - £22,500,000
 but this does not develop the full advantage to be realized by the system we propose to explain in our next number.

In this number we have endeavoured to set forth some of the more glaring features of the injustice of the present system as regards householders, shopkeepers, and manufacturers, and we invite all to ponder over these facts.

